

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER  
VGOB 15-0616-4069

ELECTIONS: **UNIT BB-54** (Wells BB54 & BB54A)  
(herein Subject Drilling Unit)

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on **June 29, 2015**, which was recorded at **Deed Book 2015, Page 11731** in the Office of the Clerk of the Circuit Court of **Tazewell County, Virginia**, on **August 7, 2015**, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates whether or not the escrow of funds is required with regard to **Unit BB-54**:

Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, **First Bank & Trust Company 38 E. Valley Drive, Bristol, VA 24201, Attn: Escrow Agent** or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

EX2016 P03813

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 20 day of February, 2016 by a majority of the Virginia Gas and Oil Board.

*Bradley C. Lambert*

Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 20 day of February, 2016, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.



*Sally Settle Ketron*  
Sally Settle Ketron, Notary Public  
7623162

My Commission expires: January 31, 2019

DONE AND PERFORMED this 21 day of February, 2016 by Order of the Virginia Gas and Oil Board.

*Rick Cooper*

Rick Cooper  
Principal Executive to the  
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 21 day of February, 2016, personally before me a notary public in and for the Commonwealth of Virginia, appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.



*Sally Settle Ketron*  
Sally Settle Ketron, Notary Public  
7623162

My Commission expires: January 31, 2019

VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in CBM Unit BB-54  
VGOB 15-0616-4069 in the Maiden Springs District of Tazewell County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein "Designated Operator") REGARDING  
ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Anita D. Duty, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Land LLC, as a Pooling Supervisor and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on June 29, 2015, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on August 7, 2015;

That the designated operator CNX GAS COMPANY LLC has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of June 29, 2015;

See attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

None

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

None

That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be added and/or dismissed as respondents; the Operator requests that the following persons be added and/or dismissed as Respondents:

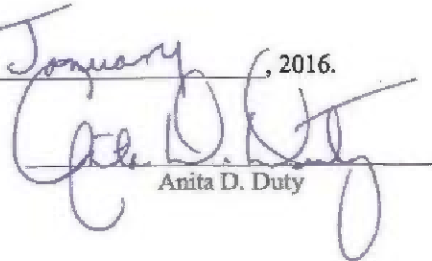
None

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

None

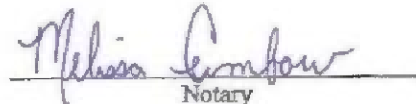
That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Cedar Bluff, Virginia, this 29<sup>th</sup> day of January, 2016.

  
Anita D. Duty

STATE OF VIRGINIA  
COUNTY OF TAZEWELL

Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Land LLC on behalf of the corporate Designated Operator, this 29<sup>th</sup> day of January, 2016.

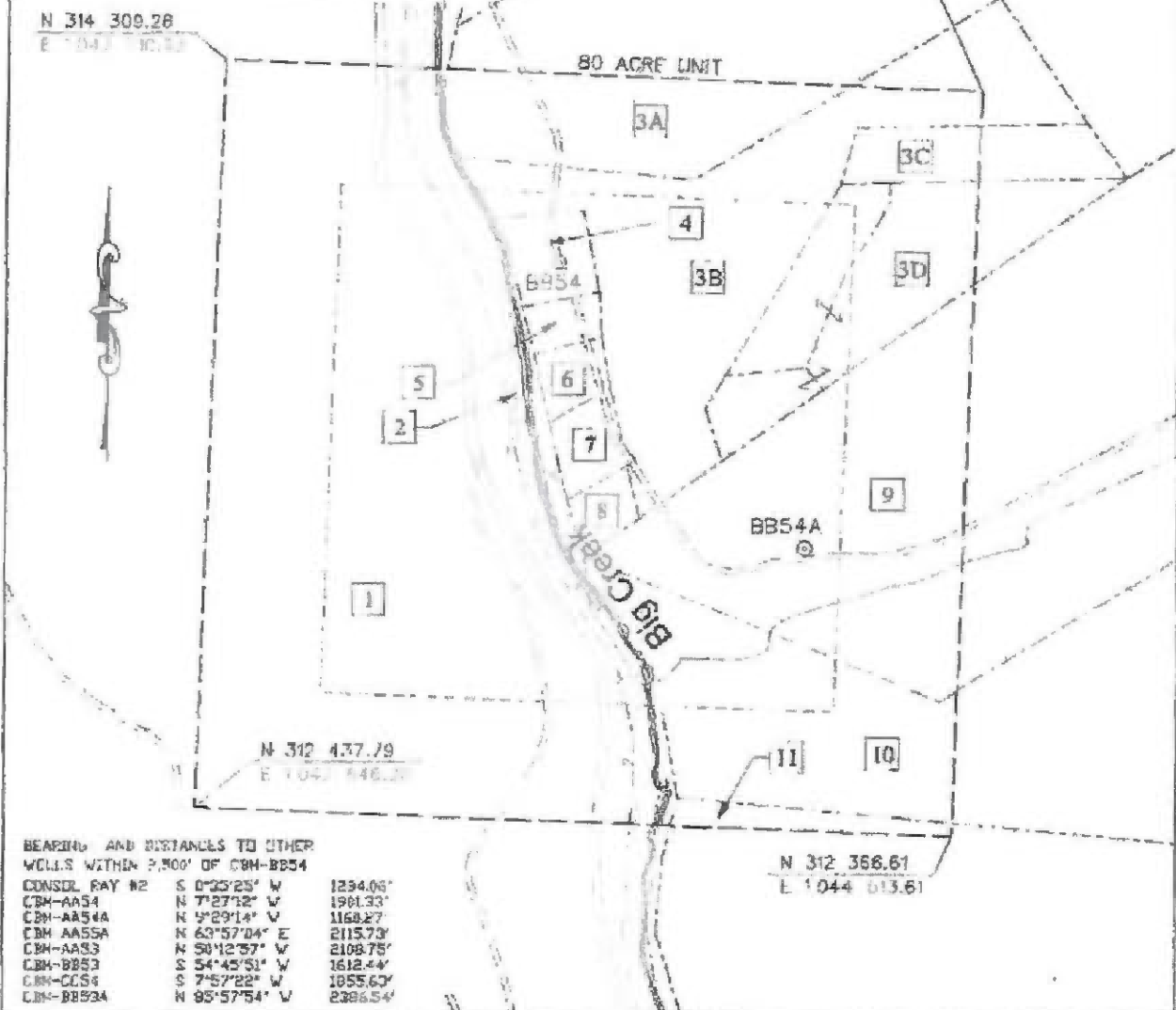
  
Notary

My commission expires: 12/31/2019.



2016 003817

PROPERTY LINES SHOWN ON THIS PLAT WERE PROVIDED BY CNX GAS LLC AND WERE TAKEN FROM DEED DESCRIPTIONS AND CHAIN OF TITLE OF RECORD. IT DOES NOT REPRESENT A CURRENT BOUNDARY SURVEY. THE CERTIFICATION HEREON CERTIFIES THE LOCATION OF THE PROPOSED WELL ONLY.



○ CNX WELL  
● PROPOSED CNX WELL

*James R. Dills Jr.*

Digitally signed by James R Dills Jr.  
DN: c=US, o=IdenTrust ACES  
Business Representative, ou=D. R.  
PRICE ENGINEERING AND LAND  
SURVEYING INC PC, cn=James R  
Dills Jr.  
C:234219200300.300.1.1+0109  
69000012601701153800027EA  
Date: 2015.05.08 14:18:57 -0400

EXHIBIT A  
OAKWOOD FIELD  
UNIT BB54  
FORCE POOLING  
VGOB-15-0616-4069

Company CNX Gas Company LLC Well Name and Number UNIT BB54  
Tract No.                      Elevation                      Quadrangle JEWELL RIDGE  
County TAZEWELL District MAIDEN SPRINGS Scale: 1" = 400' Date                       
This plat is a new plat X ; on an updated plat                      ; or a final plat                     

Form DGO-GD-7  
Rev. 9/91

Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

EX 2016 003818

## CNX Gas Company LLC

### UNIT BB 54

#### Tract Identifications

1. Southern Region Industrial Realty Corp, Tr. 1 (4,430.00 Acre Tract) – All Coal except P-3 Seam  
Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
CONSOL Buchanan Mining Company LLC – Coal in P-3 Seam  
White Wolfe Energy, Inc. – All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
Massey Energy – Coal in Raven, Tiller and Lower Seaboard Seams Leased  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – CBM in P-3 Seam  
Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
CNX Gas Company LLC – CBM - Deemed Leased via JOA  
Southern Region Industrial Realty Corporation – Surface  
Appalachian Forests A, LLC – Timber  
Tax Map 105 Parcel 30  
34.13 Acres 42.6525%
2. Norfolk Southern Railway Company – Fee  
CNX Gas Company LLC – CBM Leased  
Tax Map 105 Parcel 00  
3.02 Acres 3.775%
- 3A. Southern Region Industrial Realty Corp, Tr. 18 (100.00 Acre Tract) – All Coal except P-3 Seam  
Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
CONSOL Buchanan Mining Company LLC – Coal in P-3 Seam  
White Wolfe Energy, Inc. – All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
Massey Energy – Coal in Raven, Tiller and Lower Seaboard Seams Leased  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – CBM in P-3 Seam  
Jewell Ridge Coal Corporation – Oil and Gas  
CONSOL Buchanan Mining Company LLC – Surface  
Tax Map 67A Parcel 19  
4.43 Acres 5.5375%
- 3B. Southern Region Industrial Realty Corp, Tr. 19 (100.00 Acre Tract) – All Coal except P-3 Seam  
Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
CONSOL Buchanan Mining Company LLC – Coal in P-3 Seam  
White Wolfe Energy, Inc. – All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
Massey Energy – Coal in Raven, Tiller and Lower Seaboard Seams Leased  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – CBM in P-3 Seam  
Jewell Ridge Coal Corporation – Oil and Gas  
CONSOL Buchanan Mining Company LLC – Surface  
Tax Map 67A Parcel 19  
9.37 Acres 11.7125%
- 3C. Southern Region Industrial Realty Corp, Tr. 19 (100.00 Acre Tract) – All Coal except P-3 Seam  
Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
CONSOL Buchanan Mining Company LLC – Coal in P-3 Seam  
White Wolfe Energy, Inc. – All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
Massey Energy – Coal in Raven, Tiller and Lower Seaboard Seams Leased  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – CBM in P-3 Seam

"This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coal bed methane ownership and should not be relied upon for such purpose."

**CNX Gas Company LLC**  
**UNIT BB 54**  
**Tract Identifications**

- David W. Strouth, et al – Surface, Oil and Gas  
 Tax Map 67A Parcel 16  
 1.05 Acres 1.3125%
- 3D. Southern Region Industrial Realty Corp, Tr. 19 (100.00 Acre Tract) – All Coal except P-3 Seam  
 Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
 CONSOL Buchanan Mining Company LLC – Coal in P-3 Seam  
 White Wolfe Energy, Inc. - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
 Massey Energy – Coal in Raven, Tiller and Lower Seaboard Seams Leased  
 CNX Gas Company LLC – CBM Leased  
 CNX Gas Company LLC – CBM in P-3 Seam  
 Thomas E. Burnatt, et ux – Surface, Oil and Gas  
 Tax Map 67A Parcel 17  
 5.20 Acres 6.5000%
4. Dennis W. Smith, et al – Fee  
 CNX Gas Company LLC – Oil, Gas and CBM Leased  
 Tax Map 67A Parcel 00  
 1.04 Acres 1.3000%
5. Southern Region Industrial Realty Corp, Tr. 46 (0.69 Acre Tract) – All Coal except P-3 Seam  
 Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
 CONSOL Buchanan Mining Company LLC – Coal in P-3 Seam  
 White Wolfe Energy, Inc. - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
 Massey Energy – Coal in Raven, Tiller and Lower Seaboard Seams Leased  
 Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
 CNX Gas Company LLC – CBM - Deemed Leased via JOA  
 Southern Region Industrial Realty Corporation – Surface  
 Appalachian Forests A., LLC – Timber  
 Tax Map 67A Parcel 42  
 0.49 Acres 0.6125%
6. Southern Region Industrial Realty Corp, Tr. 45 (0.52 Acre Tract) – All Coal except P-3 Seam  
 Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
 CONSOL Buchanan Mining Company LLC – Coal in P-3 Seam  
 White Wolfe Energy, Inc. - All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
 Massey Energy – Coal in Raven, Tiller and Lower Seaboard Seams Leased  
 Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
 CNX Gas Company LLC – CBM - Deemed Leased via JOA  
 Southern Region Industrial Realty Corporation – Surface  
 Appalachian Forests A., LLC – Timber  
 Tax Map 67A Parcel 43  
 0.59 Acres 0.7375%
7. Jewell Ridge Coal Corporation – Minerals  
 CONSOL Buchanan Mining Company LLC – Surface  
 Tax Map 67A Parcel 20  
 0.77 Acres 0.9625%

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# **CNX Gas Company LLC**

## **UNIT BB 54**

### **Tract Identifications**

8. Jewell Ridge Coal Corporation – Minerals  
CONSOL Buchanan Mining Company LLC – Surface  
Tax Map 67A Parcel 20  
0.52 Acres 0.6500%
9. Southern Region Industrial Realty Corp, Tr. 18 (36.86 Acre Tract) – All Coal except P-3 Seam  
Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
CONSOL Buchanan Mining Company LLC – Coal in P-3 Seam  
White Wolfe Energy, Inc. – All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
Massey Energy – Coal in Raven, Tiller and Lower Seaboard Seams Leased  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – CBM in P-3 Seam  
Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
CNX Gas Company LLC – CBM - Deemed Leased via JOA  
Southern Region Industrial Realty Corporation – Surface  
Appalachian Forests A., LLC – Timber  
Tax Map 67A Parcel 39  
11.32 Acres 14.1500%
10. Southern Region Industrial Realty Corp, Tr. 15 (35.95 Acre Tract) – All Coal except P-3 Seam  
Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
CONSOL Buchanan Mining Company LLC – Coal in P-3 Seam  
White Wolfe Energy, Inc. – All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
Massey Energy – Coal in Raven, Tiller and Lower Seaboard Seams Leased  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – CBM in P-3 Seam  
Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
CNX Gas Company LLC – CBM - Deemed Leased via JOA  
Southern Region Industrial Realty Corporation – Surface  
Appalachian Forests A., LLC – Timber  
Tax Map 67A Parcel 40  
7.24 Acres 9.0500%
11. Southern Region Industrial Realty Corp, Tr. 16 (193.18 Acre Tract) – All Coal except P-3 Seam  
Pardee Royalty LLC and Pardee Minerals LLC – Coal Owner's Claim to CBM  
CONSOL Buchanan Mining Company LLC – Coal in P-3 Seam  
White Wolfe Energy, Inc. – All Coal Leased except P-3, Raven, Tiller and Lower Seaboard Seams  
Massey Energy – Coal in Raven, Tiller and Lower Seaboard Seams Leased  
CNX Gas Company LLC – CBM Leased  
CNX Gas Company LLC – CBM in P-3 Seam  
Pardee Royalty LLC and Pardee Minerals LLC – Oil, Gas and CBM except CBM in P-3 Seam  
CNX Gas Company LLC – CBM - Deemed Leased via JOA  
Southern Region Industrial Realty Corporation – Surface  
Appalachian Forests A., LLC – Timber  
Tax Map 67A Parcel 41  
0.83 Acres 1.0375%

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Exhibit B-3  
Unit BB-54  
Docket #VGOB 15-0616-406B  
List of Respondents to be Pooled  
(80 Acre Unit)

EX 2016 003821

	Net Acres in Unit	Interest in Unit
<b>II. OIL &amp; GAS OWNERSHIP</b>		
<u>Tract #3A, 4.43 acres</u>		
(1) Jewell Ridge Coal Corporation P.O. Box 1268 Abingdon, VA 24212	4.43 acres	5.5375%
<u>Tract #3B, 9.37 acres</u>		
(1) Jewell Ridge Coal Corporation P.O. Box 1268 Abingdon, VA 24212	9.37 acres	11.7125%
<u>Tract #3C, 1.05 acres</u>		
(1) David W. Strouth, et al	1.05 acres	1.3125%
(a) David Wayne Strouth 158 The Lane Richlands, VA 24641	0.35 acres 1/3 of 1.05 acres	0.4375%
(b) Mary Elizabeth Strouth 158 The Lane Richlands, VA 24641	0.35 acres 1/3 of 1.05 acres	0.4375%
(c) Kayla Nicole Strouth 174 The Lane Richlands, VA 24641	0.35 acres 1/3 of 1.05 acres	0.4375%
<u>Tract #3D, 5.20 acres</u>		
(1) Thomas E. Burnett, et ux 862 S. Ellsworth Rd Petoskey, MI 49770	5.20 acres	6.5000%
<u>Tract #7, 0.77 acres</u>		
(1) Jewell Ridge Coal Corporation P.O. Box 1268 Abingdon, VA 24212	0.77 acres	0.9625%
<u>Tract #8, 0.52 acres</u>		
(1) Jewell Ridge Coal Corporation P.O. Box 1268 Abingdon, VA 24212	0.52 acres	0.6500%

TOTAL OIL & GAS ESTATE:

Acres in Unit Unleased	21.34
Percentage of Unit Unleased	26.6750%

INSTRUMENT #160000749  
RECORDED IN THE CLERK'S OFFICE OF  
TAEWELL COUNTY ON  
MARCH 24, 2016 AT 02:43PM  
*Angela Ray*  
TAMMY B. ALLISON, CLERK  
RECORDED BY: ADR